

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the) Application No. 911-002
Commission, on its own motion,)
seeking to determine the)
surcharge for the Enhanced) ORDER SETTING SURCHARGE
Wireless 911 Fund.)
)
) Entered: November 8, 2022

BY THE COMMISSION:

Pursuant to the 911 Service System Act¹ (the "Act"), the Public Service Commission ("Commission") is the "statewide implementation and coordinating authority"² for 911 Service in Nebraska, with responsibility to "allocate the 911 Service System Fund in order to facilitate the planning, implementation, coordination, operation, management, and maintenance of the 911 service system."³ The 911 Service System Fund (the "Fund") consists primarily of Enhanced Wireless 911 Surcharge ("Wireless Surcharge") amounts collected on all active wireless telephone numbers by wireless carriers and remitted to the Nebraska State Treasurer to credit to the Fund.⁴

Pursuant to the Enhanced Wireless 911 Services Act⁵, the Commission annually determines the rate of the Wireless Surcharge for the following year after a public hearing.⁶ The Wireless Surcharge is currently set at a monthly rate of 70 cents for residents of all Nebraska counties except for Douglas County, where the rate is limited by statute to the current rate of 50 cents per month.⁷

Pursuant to an Order entered September 13, 2022⁸, the Commission scheduled a hearing in this docket to determine the monthly rate of Wireless Surcharge for calendar year 2023.⁹ Notice of the hearing was published in The Daily Record and the Omaha World Herald, on September 14th and September 21st, 2022, and in

¹ Neb. Rev. Stat. §§ 86-1001 to 86-1029.03.

² Neb. Rev. Stat. §§ 86-1002.

³ Neb. Rev. Stat. §§ 86-1025(5).

⁴ See, Neb. Rev. Stat. §§ 86-456, 86-456.01, 86-457, 86-459, 86-466, 86-904 and 86-1028.

⁵ Neb. Rev. Stat. §§ 86-442 to 86-470.

⁶ Neb. Rev. Stat. § 86-458.

⁷ Neb. Rev. Stat. § 86-457(1).

⁸ *In the Matter of the Commission, on its own motion, seeking to determine the surcharge for the Enhanced Wireless 911 Fund*, Application No. 911-002, ORDER SCHEDULING HEARING (Sept. 13, 2022).

⁹ Neb. Rev. Stat. §§ 86-457 & 86-458.

the Lincoln Journal Star on September 13th and September 21st, 2022.

The hearing was held on September 28, 2022. Matt Effken appeared as counsel on behalf of the Commission staff. There were no other appearances entered by counsel.

E V I D E N C E

David Sankey, State 911 Director, testified on behalf of Commission staff. Director Sankey provided an overview of the status of the Fund and testified that both 911 Department staff and the Enhanced Wireless 911 Advisory Board recommended there be no change to the current monthly rate of the Wireless Surcharge for calendar year 2023.

Director Sankey testified that the balance in the Fund as of September 1, 2022 was \$7,814,475. Director Sankey stated that approved expenditures for the current fiscal year to support the legacy 911 system, provide funding support to public safety answering points ("PSAPs"), pay for 911 call routing via selective routers and provide interim text-to-911 service total approximately \$8.0 million dollars, with additional projected operational and administrative costs expected to bring the total amount expended from the Fund to approximately \$9.45 million. Director Sankey further testified that the forecast for wireless surcharge remittances to the Fund is approximately \$12 million for the current fiscal year.

Director Sankey testified that various multi-year contracts are in place that relate to Next Generation 911 implementation, including GIS quality control, consultant services, and statewide call data analytics. He stated that such contracts obligated the Fund to pay over \$1.2 million dollars in current fiscal year. The Director also stated that the five year contract with Lumen to provide an Emergency Services Internet Protocol Network and NG911 Core Services will cost about \$814,899 for the first year and \$1.8 million per year thereafter.

Director Sankey also testified that financial projections based on cash flow analysis models, including a four-month reserve balance, show that the current Wireless Surcharge rate will sustain the Fund while providing adequate funding for the 911 Service System during the transition from legacy E911 service to the Next Generation 911 system. Director Sankey recommended that the Wireless Surcharge remain at its current level of 50 cents per

month in Douglas County and 70 cents per month in the remaining 92 counties of Nebraska for calendar year 2023.

In addition, Director Sankey informed the Commission that the Enhanced Wireless 911 Advisory Board had met on August 24, 2022, and voted to recommend that the Commission maintain the Wireless Surcharge at its current rate at 50 cents in Douglas County and 70 cents in the remaining 92 counties of Nebraska for the upcoming calendar year. A letter to this effect from the Chair of the Enhanced Wireless 911 Advisory Board was also entered into the record at hearing. No other witnesses provided testimony at the hearing.

F I N D I N G S A N D C O N C L U S I O N S

Pursuant to *Neb. Rev. Stat.* § 86-457, the Commission may set the Wireless Surcharge no higher than \$0.70 per month for each active wireless telephone number or functional equivalent, except in Douglas County, where the maximum Wireless Surcharge is \$0.50.

The Commission has been assigned the statutory responsibility of bringing next generation 911 to Nebraska. As reflected in the record, there are substantial costs associated with making the transition from the current legacy 911 system to the implementation of next generation 911 technology. The Commission finds, based upon the testimony and financial projections presented in the record, the proposed monthly rate Wireless Surcharge rate of 50 cents in Douglas County and 70 cents in the other 92 counties of Nebraska is necessary to support the continued deployment of NG911 in Nebraska while maintaining a four month contingency reserve.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the monthly Enhanced Wireless 911 Surcharge, per active wireless telephone number or functional equivalent, remain at 50 cents in Douglas County and 70 cents in the remaining 92 counties in Nebraska, effective January 1, 2023.

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ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 8th day of November, 2022.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Rod Johnson
Mary Keddin
Tim Schram

Don Watson

Chair

ATTEST:

Thomas W. Golden
Executive Director